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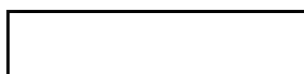
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ETHIOPIA

The ruling military council yesterday elected General Teferi Benti as its new chairman. Teferi, who was the commander of the Second Division in Eritrea Province, will act only as a figurehead. He became Second Division commander in October and does not have a broad base of support within the division or within the armed forces as a whole. He also lacks the public prestige and popularity of General Aman, the former head of government, and he is expected to approve automatically the council's decisions. The 52-year-old Teferi had previously served as head of the Harar Military Academy and was once military attaché in Washington. He has attended several military training courses in the US.

Major Mengistu Hailemariam, the council's first vice chairman, will continue to exercise influence behind the scenes, but he is not believed to have firm control of the council, and his current leadership position is not accepted by the entire military.

There is increasing evidence that the authority of the ruling council and the unity of the armed forces will be severely tested as a result of the killing of General Aman and the mass executions last weekend. Opposition to the council because of its authoritarian rule is widespread, but its opponents are dispersed throughout the military and seem to lack leadership, organization, and a clear sense of purpose.

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The council is proceeding with plans to send reinforcements to fight the Eritrean Liberation Front, and some units reportedly have already arrived in the province. The insurgents have refrained from large-scale

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attacks for several months, but they have been able to gain control of large parts of the countryside as a result of government troop inactivity. They have wanted to see how Ethiopia's revolution developed before taking any major new initiatives, and insurgent leaders may believe the situation is still too uncertain to allow the formulation of new plans. Local military commanders who are not firmly controlled by the political leadership, however, could decide to act before the army increases its own operations.

An Ethiopian Foreign Ministry official denied to the US embassy on Wednesday that the military council was planning to execute former emperor Haile Selassie. The official said that foreign press reports alleging that Haile Selassie had been moved to a town near Addis Ababa in preparation for his execution were "without foundation." The council also announced yesterday that there would be no more summary executions. The council held open the possibility that some of the former officials still under detention will be executed after trials.

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SOUTH VIETNAM

During the past two weeks, a number of reports from a variety of sources have provided further elaboration on Communist instructions and preparations for the 1974-75 dry season campaign. In general, these reflect COSVN instructions reported earlier, which called for a widespread and intense period of fighting to begin in December and aimed primarily at disrupting Saigon's pacification effort and inflicting heavy losses on government forces.

The latest reports, [redacted]

[redacted] vary as to the timing and intensity of the expected increase in military action. In some areas, military planning has been completed and the fighting could begin with little advance notice. On the other hand, [redacted]

[redacted] large-scale attacks are not even scheduled to begin until sometime after mid-January. Between now and then his unit has been told to concentrate on motivation training, proselytizing, and increased terrorism and assassinations.

[redacted]

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EC

The foreign ministers of the EC Nine, at their meeting this week, failed to reach full agreement on the issues that will be discussed at the EC summit planned for early next month. The ministers will make a final effort to reconcile their differences Monday and Tuesday. Despite uncertainty over regional policy--a "precondition" for Italian and Irish participation--and probable failure to come up with adequate policies to deal with Europe's severe economic problems, it is nevertheless likely that the summit will take place in Paris on December 9-10.

Although the Nine have been engaged in intense bargaining in recent weeks to promote their particular national objectives, there has been little progress on most of the issues--energy, regional policy, and inflation. Energy questions, in particular the French proposal for an oil consumer-producer conference and possible French association, in some manner, with the work of the International Energy Agency--favored by the other eight--will be prime topics for discussion. Some advances apparently have been made in resolving the differences on internal energy policies, but there is yet no agreement to set guidelines to reduce energy consumption. The Nine will also discuss the recent US proposals for consumer cooperation.

EC financial assistance to the poorer regions of the community--mainly Ireland and southern Italy--was also discussed by the ministers on Monday. The Germans, who would foot most of the bill, are demanding important concessions from their partners as a price for agreement. Italy and Ireland are threatening not to attend the summit unless "visible progress" toward an agreement is shown in advance; most observers, however, feel that neither would stick to this threat.

Agreement appears to be close on a proposal to increase the size of the EC's fund for unemployed workers and it is likely that this matter will be settled at next week's ministerial meeting. A common approach to the problem of inflation, on the other hand, has not been reached.

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EC institutional questions--among them proposals for periodic Council meetings of the Nine heads of government, majority voting in the Council, and direct elections for the European parliament--also are on the summit agenda. Paris initially wanted the summit devoted primarily to these matters, but the other eight insisted substantive issues also be included. So far the only important institutional issue on which a consensus has been possible is for heads of government Council meetings, perhaps as often as four times a year, with agreement on the other proposals unlikely, due to UK and Danish opposition.

Most of the Nine are pessimistic that a summit meeting--which has been hastily prepared--will bring in any real progress on the basic questions facing the community. Most members have only reluctantly agreed to attend, mainly in order not to offend the French President. The uncomfortable prospect they face is that another summit which accomplishes little--as was the case with the two previous ones--would serve only to increase the already widespread disillusionment about progress toward European unification.

Perhaps the major shadow over the summit is London's demand for "renegotiating" its terms of membership, and the prospect of British withdrawal if such terms cannot be sold to the British public. Prime Minister Wilson is concerned that the EC agree to seek a formula to permit reduction of individual national contributions to the EC budget by member states--like the UK--whose per-capita GNP falls significantly below the community average. Should the foreign ministers fail to reach agreement on how to approach the budget problem at their meeting next week, Wilson is expected to make this a principal issue at the summit, with the final outcome uncertain.

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FRANCE

The French navy has plans to increase the size of its Mediterranean squadron in order to enhance its operational capabilities when the Suez Canal reopens.

The French deputy chief of naval operations has confirmed that the navy has asked for authority to make major redeployments involving the Atlantic and Mediterranean fleets. The deployments would move more major combatants into the Mediterranean and would transfer some antisubmarine forces into the Atlantic. Preliminary plans call for movement of two aircraft carriers, a guided-missile cruiser, and two guided-missile frigates from their base at Brest to Toulon in order to reinforce the fleet of about 15 major combatants and 10 submarines now in the Mediterranean. The Atlantic Fleet would receive five antisubmarine warfare ships from Toulon.

The navy is also studying its capability to support overseas deployments, including its Indian Ocean Fleet. The reduction of foreign bases has prompted Paris to develop a program to facilitate logistic support to ships while they are under way, beginning with the addition of a repair ship and the first of five tankers reportedly scheduled for commissioning in 1976.

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Fleet units permanently based in the Indian Ocean consist of a command ship, three destroyer escorts, a guided-missile motor gunboat, four motor boats, and eight landing craft. This force may already have been augmented by the addition of a supply ship. A task force consisting of the carrier Clemenceau, a guided-missile destroyer, and two tankers are in the Indian Ocean on a temporary basis.

This redeployment will strengthen the French naval position in relation to that of the USSR, US, and UK in the Mediterranean. In addition, it emphasizes a high level of interest in Arab oil and parallels Paris' concern about maintaining its oil route in the Indian Ocean, because it will probably allow one carrier to be on station in the eastern Mediterranean or Indian Ocean at all times.

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Full implementation of the plan probably will not occur until the opening of the Suez Canal to full traffic-- not expected before next spring.

NORTH VIETNAM - FRANCE

A North Vietnamese delegation headed by Hoang Trong Dai is visiting Paris this week to discuss French aid for next year.

The French are already providing assistance for a variety of industrial development projects in North Vietnam. Under last year's agreement, French firms have negotiated a \$10-million bicycle manufacturing installation, a \$4- to 5-million shrimp trawler fleet, a textile mill, and vegetable oil distilleries. Construction on the bicycle, trawler, and textile projects will begin shortly.

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CAMBODIA-UN

Cambodian Prince Sihanouk's allies still could attempt a series of parliamentary maneuvers to upset the major victory Phnom Penh's backers won at the UN Wednesday night. Phnom Penh, however, clearly has the advantage and should be able to stave off any last-ditch effort by its opponents.

A vote will be held this morning on an amendment to the successful pro-Phnom Penh resolution; pro-Sihanouk forces may try, for example, to use the occasion to reopen action on the resolution itself. Assembly President Bouteflika also might choose to ignore the provision of the successful resolution that defers the vote on changing the delegation and attempt to force a vote on the pro-Sihanouk resolution.

Even if Sihanouk's backers forgo such maneuvers, the Lon Nol government will probably face a renewed--though probably meaningless--challenge when the credentials committee submits its report later in the Assembly session. [REDACTED]

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USSR-US: A formation of US and CENTO naval ships participating in an annual exercise had to change course twice to avoid colliding with a Soviet space vehicle recovery ship in the Arabian Sea on November 26. The Soviet ship Sevan was first identified heading directly for the allied formation at a distance of four miles. The US and CENTO group ships changed course. The Sevan, however, also altered its course, which required still another course change by the formation. The Sevan passed within 500 yards of one US ship, then turned and began tailing the group. Incidents of this kind have been rare since the US-USSR agreement in 1972 on preventing incidents at sea. [REDACTED]

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Mexico-Chile: Mexico's decision to break relations with Chile was probably taken to curry favor in the Third World by portraying Mexico as a political opposite of the Chilean military junta. The two countries have been sniping at each other ever since Allende's death last year. President Echeverria was friendly with Allende and has been decidedly cold toward the Pinochet government. Chile is angry over Mexico's refusal to normalize relations and to deliver on a promised sale of fertilizer. Mexico is upset at the junta's reluctance to allow certain Chilean citizens, including Allende's sister, to take asylum in Mexico. It is unclear why Echeverria waited until now to make the break, but he may have seen little chance of obtaining any additional refugees.

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South Vietnam: Plans for a massive Catholic demonstration in Saigon yesterday fizzled. Spokesmen for the Catholic anticorruption movement had claimed that thousands of demonstrators would protest the government's scheduled court action against three opposition newspapers. Only a few hundred protestors, however, assembled at Catholic churches in Saigon's outskirts, and police easily kept them from marching downtown. In the courtroom, meanwhile, the government postponed further proceedings against the newspapers until early next year.

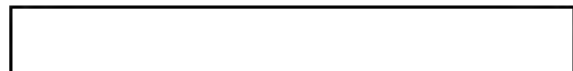
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